

Purchase Card Program Update



**DoN APC Conference
Atlanta, GA
March 3-4, 2004**

CAPT Joe Murphy



Agenda

- Program Structure & Key Metrics
- eBUSOPSOFF Role
- Introductions
- Changes
- Semi-Annual Review: Results & Overhaul
- Training Initiatives
- What's New
- Memo

Program Structure



Assistant
Secretary of the
Navy
Research,
Development &
Acquisition

**DON
Program
Management
Office**

**10 Head
of
Contracting
Activities
(HCA)**

**23 Major
Claimants**

**2,509
Agency
Program
Coordinators
(APC)**

**9,970
Approving
Officials
(AO)**

**19,537
Card Holders**

- 98% of All Requirements Under **\$2500**
- Average Single Transaction:
\$824
- Annual Transaction Volume:
2.1M

• Annual Dollar Volume: **\$1.7B** Data as of February

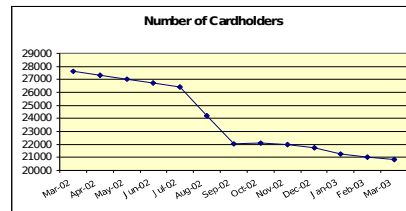
eBUSOPSOFF Role

Component Program Manager

- Oversight
- Audits
- Metrics
- Bank Interface

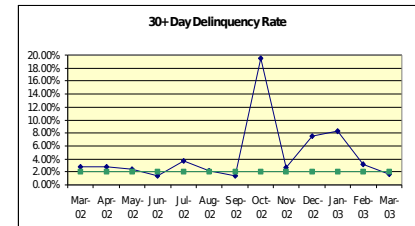
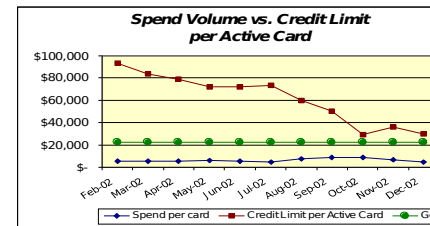


- **Span of Control**
 - Authorizing Official /Cardholder (7:1)
 - Agency Program Coordinator/Cardholder (300:1)
- **Separation of Duties**
(AO not = CH)



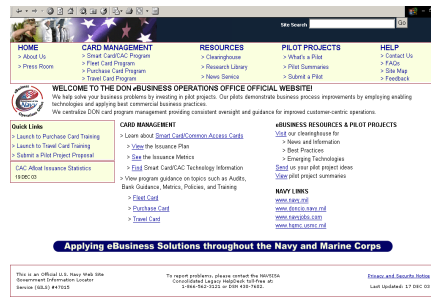
Operations (day-to-day)

- Assist APC's
- Help Desk
- Fraud & delinquency



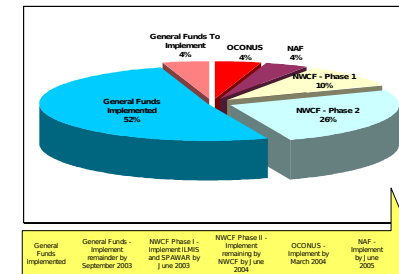
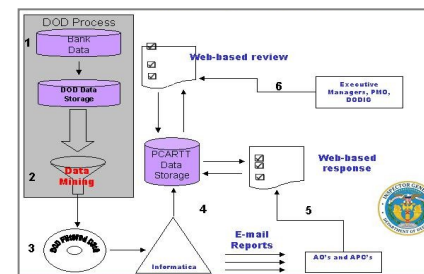
Guidance & Training (role based)

- Policy
- Desk Guides
- Computer based training
- Video Tele-training



Continuous Improvement

- MART/ARROW
- Electronic certification





Purchase Card Staff

Don Rhoad Team Lead

Wendy Stutzman Operations

Alanna Martin Audits

Kirk Stevens Development Fund

Ross Reeves Fleet Support

Karen Croft Metrics

Bill Rhodes eCertification Lead

Dave Morrison eCertification/Tech Support

Chuck May eCertification/Tech Support

Joe Stauffer eCertification/Tech Support

Linda Bailey Training Lead

Greg Barker Training



Level 3 APCs

PAM DONBROSKY	FSA
BRENDA BRUNS	UNSECNAV
EILEEN POWERS	CNR
MICHELE GILBREATH	ONI
LCDR WALDO FERRERAS	BUMED
TOM MARAS	NAVAIR
JOYCE TAIT	BUPERS
KAREN UNITIS	NAVSUP
PAM BUFALARI	NAVSEA
RENEE COMFORT	NAVFAC
JAN HANSEN	HQUSMC
KATHERINE GREGG-ADAMS	DIRSSP
DOROTHY DEAN	MSC
DEBORAH LIS	SPAWAR
JULIE BOHN	NSMA
MARY LYNN HALL	CNI
CDR FRANK HRUSKA	CLF
JOE HARRIS	NAVEUR
TERESA PALUMBO	SECGRP
CDR TIM COLYER	COMPACFLT
CDR JOE NEWBURY	COMNAVRESFOR
LCDR ERNEST FAGAN	SPECWAR
SHARON HIGDON	NETC



Credit Worthiness

- Prohibits issuance of a card to military personnel determined not credit worthy
- Effective immediately
- Labor union bargaining for civilian employees
- Self-disclosure form to be used for individuals assigned to centrally billed accounts
- Credit scores based on the Fair Isaac scoring model to determine if/which type of card is issued (standard or restricted)

DFAS Memo of 28 July 2003



Disciplinary Guidelines

- Commanders or supervisors are to be informed in a timely manner
- Policy to ensure management emphasis of personal accountability for charge card misuse, does not deprive commanders/supervisors of their discretion on handling cases of misuse in an appropriate manor
- Available actions include counseling, admonishment, reprimand, non-judicial punishment (Article 15 UCMJ), court martial and administrative separation
- Military personnel who misuse their government charge cards may have their access to classified information modified or revoked

OSD Memo of 10 June 2003



Check In/Check Out Change

- Every personnel departure checklist shall include requirement to turn in all government charge cards

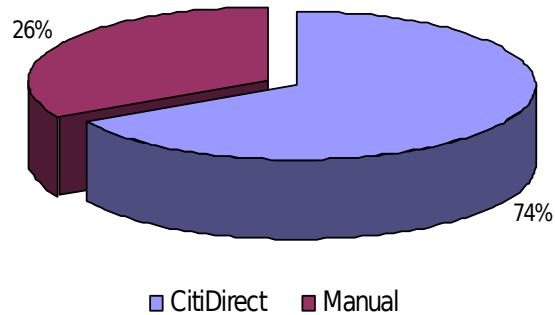
Does not apply to Travel Cards

OSD Memo of 23 June 2003

Electronic Certification of Invoices



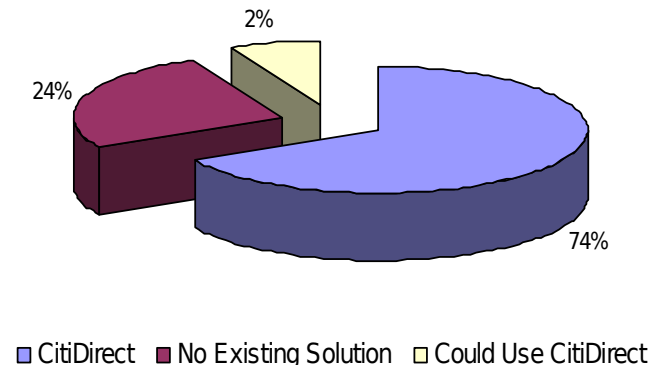
DON - February 2004



Estimated percentages
(based on annualized
dollar volume)

DOD Mandate (27 Nov 02) requires certification using the bank's system. Activities in the "no existing solutions" category use financial accounting and bill paying systems that cannot support compliance with both the FMR and the DOD Purchase Card Concept of Operations without modifications/waivers.

DON - February 2004





Semi-Annual Review (SAR)

Improvements made...

Continued Attention Required...

	<u>Sep-01</u>	<u>Mar-02</u>	<u>Sep-02</u>	<u>Mar-03</u>	<u>Sep-03</u>
Split Purchases	2,790	1,911	1,488	663	539
Exceeding Authorized Limits	320	338	253	93	142
Personal Use	196	266	46	73	72
Immediate Need	131	n/a	110	153	120
From Prohibited Items list	728	n/a	605	370	347
Total Infractions	4,165	2,515	2,502	1,352	1,220

- 1.33 million transactions for reporting period
- \$933 million dollar volume for reporting period



Control Methods

- Enforce Stricter Disciplinary Actions
- Suspension of Card Privileges
- Cancellation of Card Privileges
- Letters of Reprimand
- Reimbursement when personal use involved
- Dedicated training on SAP and procurement regulations at APC conference
- Site Visits to assist with Get Well Plans



SAR Lessons Learned

Experience has taught us...

Issue	Missed Opportunity	Corrective Actions
Information collected - Lacks detail - Not mine-able	Naval Message with many formats for results	Established standardized format Electronic responses populate database
Timing	Align with billing cycle	Run from 22 Sep - 21 Mar, 22 Mar - 21 Sep
Bottom-Up Reporting - Vice top-down data call	Go to AO for monthly transaction detail	Standardized electronic format for APCs review and certification.

...Need to adjust review process

SAR Process Broken



- Manual
- Labor intensive
- Ineffective results
- Lacks standardization across APC levels
- Lacks integration with other reporting requirements



SAR Process Revisions

- Automate SAR & Transaction Review
 - Standardization across all APC levels
 - Automated template (web-based)
 - Captured in database
 - Ask the right questions
 - Utilize stakeholder knowledge/input
 - Based on billing cycles
 - Pre-populate where possible
 - Bank Interface

Breakout Session Scheduled



Training Initiatives

- Update PC Training Products Distributed
 - CD-ROMs Distributed to Level 3, 4, and 5 APCs
 - CitiDirect Version 3.4 Release
 - EBUSOPSOFFINST 4200.1A Revisions
 - Automated Training Statistics eMail Address
- Web-Enabled CBT Modules
 - Currently in Production Testing
 - Host site – Navy Knowledge Online (NKO)
 - Transparent Processing of ATS Data Collection
- Automated Training Statistics (ATS) Implemented
 - Student Log Files Processed Daily Since 9-29-03
 - ATS Web-based Access Methods Under Review
 - Navy-Air Force Interface (nafi)
 - eBusiness Custom Developed Interface



What's New...

- New Web Site – 17 March 04
- New Communication Tool
- New Card Program



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WELCOME TO THE DON eBUSINESS OPERATIONS OFFICE OFFICIAL WEBSITE!

We help solve your business problems by investing in pilot projects. Our pilots demonstrate business process improvements by employing enabling technologies and applying best commercial business practices.

We centralize DON card program management providing consistent oversight and guidance for improved customer-centric operations.

Quick Links

- > [Launch to Purchase Card Training](#)
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CAC Afloat Issuance Statistics

19 DEC 03

CARD MANAGEMENT

- > Learn about [Smart Card/Common Access Cards](#)
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 - > [See](#) the Issuance Metrics
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- > View program guidance on topics such as Audits, Bank Guidance, Metrics, Policies, and Training
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NAVY LINKS

- www.navy.mil
- www.doncio.navy.mil
- www.navyjobs.com
- www.hqmc.usmc.mil

Applying eBusiness Solutions throughout the Navy and Marine Corps



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Purchase Card Program

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The Purchase Card Program streamlines purchase and payment systems for the Department of the Navy (DON), and provides an automated card management, reconciliation, and payment tool.



Program Announcements

[2004 APC Conference Announcement](#)

[2004 APC Conference Purchase Card Agenda](#)

[2004 APC Conference Purchase Card Session Descriptions](#)

[2004 APC Conference Schedule of Events](#)

[Submit](#) a suggestion for enhancements to CitiDirect.



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Instruction

[Purchase Card Instruction](#)

eBusiness Operations Office Instructions 4200.1A

Desk Guides

[Agency Program Coordinator \(APC\) CitiDirect](#)
[Agency Program Coordinator \(APC\) WinSALTS](#)
[Approving Official \(AO\) CitiDirect](#)
[Approving Official \(AO\) WinSALTS](#)
[Cardholder \(CH\) CitiDirect](#)
[Cardholder \(CH\) WinSALTS](#)
[Head of Activity \(HA\)](#)

Meeting Minutes

To access Level 3 Agency Program Coordinator monthly meeting minutes, select a link for documents by calendar year.

[2004](#) [2003](#) [2002](#)

Naval Messages

Select a link for documents by fiscal year:

[FY04](#) [FY03](#) [FY02](#)

Purchase Card Periodic Notices (PCPNs)

Select a link for documents by fiscal year:

[FY04](#) [FY03](#)

Program Updates

[1099 Tax Information](#)
[29 APR 03 Electronic Certification](#)
[DON Purchase Card Process Map](#)
 The Visio application is required to view.
[GSA Blueprint for Success Purchase Card Oversight](#)
[OSD 27 NOV 02 Internal Controls Electronic Certification](#)
[Statistical Sampling Table](#)

Links

[DFAS 1099-MISC Tax Reporting Process](#)
[DOD EMALL](#)
[DOD Purchase Card Program Management Office \(PCPMO\)](#)
[FMO - Office of Financial Operations](#)
[Federal Acquisition Regulation \(FAR/DFAR\)](#)
[GSA Home Page](#)
[Mandatory Source of Supply - Javits-Wagner-O'Day \(JWOD\)](#)
[Mandatory Source of Supply - UNICOR](#)



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[Request](#) help on downloads or training.

Documentation

[Purchase Card VTT Training JAN 04 Announcement](#)

[Video Teletraining \(VTT\) Information](#)

Conference Presentations

[2003 APC - Philadelphia PA](#)

[2003 APC - Philadelphia PA - AdHoc](#)

File size is up to 15 megabytes and will take time to download.

Links

[DAU - Mandatory Purchase Card Training](#)

[GSA - Purchase Card Web Based Training](#)

[Navy Knowledge Online \(NKO\)](#)

[VTT - Navy Learning Network](#)

[Overview and site locations](#)

[VTT - Purchase Card Training](#)

Reserve quotas, view course schedules & descriptions via Naval Supply Corps School (NSCS)



Enhanced Communications

- Pushed Directly to APC
- Subscription Based
- Program Specific
- Future Applications



Financial Cards Updates Sign-Up.

Please Fill out the form below to register.

Level ID:

Agency:

First Name:

Last Name:

Email Address:

Choose Card Types:

☐ Purchase Card

☐ Fleet Card

☐ Another Card

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TCPN (sample)



Travel Card Program News

 e-Mail This to a Colleague

Mail to a
colleagu
e

TCPN #FY04-06: EAGLS Outage Feb 13 -17th 2004

Note: Level 3 APCs - IT IS YOUR RESPONSIBILITY TO GIVE THIS NOTICE

WIDEST DISSEMINATION TO GTCC PROGRAM PARTICIPANTS IN YOUR HIERARCHY.

The following message was sent by Bank of America (BOA) in a "NewsBlast"... in reference to an EAGLS Outage affecting the management of the government charge cards program, please provide to all level APCs so they may be aware of potential problems....

Extended EAGLS Outage Weekend of February 13

In the continuing effort to provide our clients with quality products, we will be performing scheduled maintenance to EAGLS (Electronic Accounting Government Ledger System) for an extended period.

EAGLS will be unavailable from 9:00 p.m. Eastern Time on Friday, February 13th until 6 a.m. Eastern Time on Tuesday, February 17th.

During this time we will be upgrading the hardware and software of EAGLS. Users of recurring raw data reports will need to reschedule them after the upgrade on Tuesday, February 17th.

We apologize for any inconvenience this outage may cause. BOA

For any questions/problems, please send e-mail to:
Travel_Card@navsup.navy.mil.

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Travel Card
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DoN
eBusiness
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[DoN eBusiness Operations Office](#)
5450 Carlisle Pike, P.O. Box 2050
Mechanicsburg, PA 17055-0791

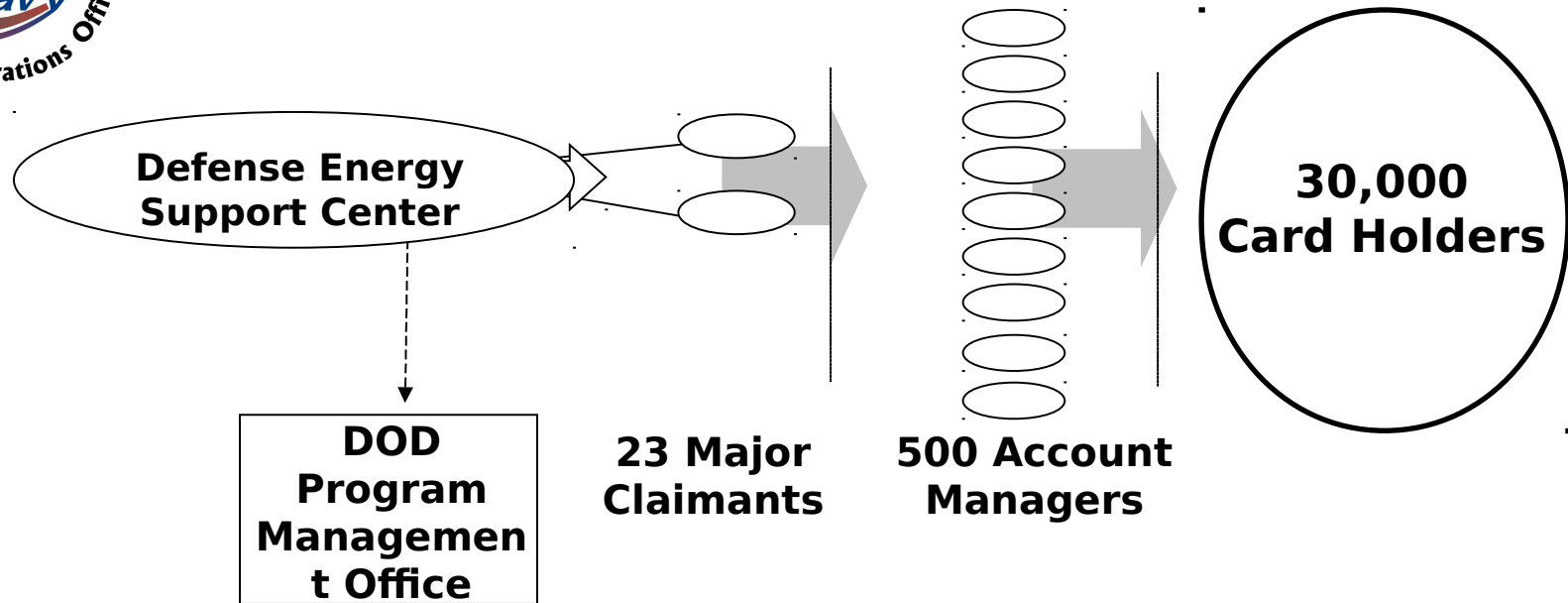
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Fleet Card Program



- Annual Dollar Volume: \$7M (\$6.5M fuel)
- Average Monthly Dollar Volume \$600K
- Delinquency: 40 accounts/\$22K



ASN(RD&A) Memo 10 Feb 04

“...I want to make crystal clear my position that the improper use of either the Government purchase or travel card is not to be tolerated. People who knowingly violate the rules for improper use are wasting the taxpayers’ money and none of us should tolerate this...There are no acceptable excuses.”



ASN(RD&A) Memo 10 Feb 04

“The vast majority of our people are able to perform their jobs while adhering to Department policy for the proper use of these cards. We cannot tolerate the few who will not or cannot do so. This continues to have the personal interest of Secretary Rumsfeld and Secretary England.”

John J. Young